

**COMMENTS IN RESPONSE TO PETITION  
REGARDING ACUTE CARE BED NEED DETERMINATION  
IN DURHAM/CASWELL COUNTIES**

Duke University Health System, Inc. (“Duke”) hereby submits these comments in response to the petition filed by UNC Hospitals regarding the need determination for acute care beds in the Durham/Caswell service area. Duke University Hospital’s utilization, reflecting the demand for its unique quaternary services as an academic medical center, has generated the need determination in the service area. Duke supports the standard methodology and the resulting need determination.

UNC Hospitals “requests that the SHCC consider allocating more than 38 additional acute care beds for the service area in the 2024 SMFP. Further, if data updates later this year would result in a need for fewer beds or none at all, UNC Hospitals requests that the SHCC consider maintaining the current need determination of at least 38 beds.” UNC Hospitals does not propose for any specific adjustment, nor provide data to support any different number of beds other than what the standard need methodology generates.

While there are 108 beds in the service area planning inventory that have not yet been finally allocated, all of them have been applied for. The Agency decision regarding the 2021 need determination for 40 beds is currently under review at the Court of Appeals. Similarly, a final decision at the Office of Administrative Hearings vacating the Agency’s decision regarding the 2022 need determination for 68 beds was recently issued, but the time for appeals of that decision has not expired and UNC Hospitals has not indicated whether it intends to appeal. The SMFP’s Policy GEN-1 provides the approved mechanism for any reallocation of these need determinations upon resolution of appeals. UNC’s proposed adjustment for “more” than 38 beds based on the fact that there are previous need determinations under appeal would require the SHCC to reinvent or supplant this longstanding policy and would potentially duplicate assets already in the planning inventory.

Duke accordingly requests that the SHCC deny UNC Hospitals’ petition and instead apply the standard need methodology and Policy GEN-1 as appropriate.